DEVELOPMENT SECRETARIAT.

Reviews the Report on the working of the Department of Industries and Commerce for 1927-28.

READ—

Report on the working of the Department of Industries and Commerce for the year 1927-28 received with letter No. B. 1 per 28-29, dated the 10th January 1929, from the Director.

ORDER NO. D. 11319-83—I. & C. 247-28-3, DATED 2ND MAY 1929.

Recorded.

Personnel.—Mr. C. Ranganatha Rao Sahib was in charge of the Department during the year under review except for two short periods of leave when Mr. R. Ananthasubrahmanyam, Industrial Assistant, looked after the current duties of the Director

Mr. H. G. Alderton, who was Superintendent of the Chamarajendra Technical Institute had to retire from service on account of ill health. During the 13 years or so for which he was connected with the Chamarajendra Technical Institute he initiated several new lines of work and did much to build up the reputation of the institution.

Industrial Statistics.—A beginning was made in the collection of statistics of Industrial production. Owing to unfamiliarity with the forms and to want of appreciation of the object of enquiries made, the response on the part of Industrial Establishments in some of the Districts is reported to have been somewhat unsatisfactory. Fairly accurate information was however obtained from the majority of the concerns in the Bangalore City and published in the form of a bulletin. The publication contains interesting and instructive information on the general industrial position in the City and indicates the progress made during the last seven years. It is important to have reliable Industrial Statistics for the whole State and Government trust that a complete compilation will be made early and revised periodically.

Industrial Installations.—The Department was responsible for the erection of 62 Industrial installations during the year involving a capital outlay of nearly three lakhs of rupees as against 46 installations in the previous year. Seventeen Rice Mills, 12 Pumping Plants, 4 Flour Mills and 2 Oil Mills were among the more important of the installations erected. It is an encouraging feature that the aggregate amount of state-aid in the form of loans granted by Government for these installations formed only 11 per cent of the total capital invested on them and that since 1923-24, when the proportion was about 50 per cent, the share of initial capital contributed in the form of Government loans has been steadily decreasing year by year.

The steady increase in the number of industrial installations has resulted in a growing demand for the services of the Technical Staff of the Department and necessitated an addition to the strength of this staff which has been allowed. After consulting the Board of Industries and Commerce, Government considered that the time had arrived for levying fees on a very moderate scale for technical assistance rendered by the department to private industrialists and accordingly approved of the recommendations of the Director.

Loans.—The report makes a comprehensive survey of the results of the system of granting loans for assisting industries which has been in force for about 15 years. During this period 330 loans involving a sum of Rs. 12,48,022 were disbursed of which 205, involving Rs. 5,98,840, were closed by the end of 1927-28, leaving 125 accounts amounting to Rs. 6,49,182. Of the total sum advanced, only a balance of Rs. 3,70,026 was outstanding at the end of June 1928, not taking into account a sum of Rs. 70,524 due from the Premier Metal Factory. The Director considers that the bad debts to be written off may not on the whole exceed the sum already recovered towards interest. One feature of the loan transaction is that minor industries and rural concerns appear to be deriving more benefit from them than ventures of greater magnitude.

The policy of financial aid pursued by the State during the past 15 years seems on the whole justified by results. It has resulted in an appreciable development of some essential industries; and, what is more important still, in the awakening of a spirit of enterprise which is full of promise for the future. It has also given us much experience which would enable us to regulate the lines on which the future policy of the State might be based, both in regard to industries to be encouraged and the manner in which encouragement should be extended. As was observed in the Review on the report of the Department for 1926-27, and as has been incidentally noticed above, the loss to Government on loans made for this purpose has only been about equal to the interest on the total amount laid out, so that it may be said broadly that Government have in effect only spent the interest on the money so laid out for advancing industrial developments; and this cannot be considered as too great a price to pay for the results achieved and the experience obtained.

Government recently appointed a Special Committee under the Chairmanship of Dr. Sir Brajendranath Seal for going into the whole question of financial aid to industries in a comprehensive manner and formulating the principles on which the future policy of the State in this regard should be regulated. They have now before them the interesting report presented by the Committee.

The working of the concerns under the Department.—The Central Industrial Workshop turned out during the year, work to the value of Rs. 97,416 as against Rs. 74,528 in 1926-27 and the loss on working was Rs. 3,137 as compared with Rs. 8,256 in the previous year. The Director explains that this loss is chiefly due to the fact that the overhead charges of the workshop are more or less permanently fixed and that the present condition of competition in Bangalore precludes the possibility of raising the percentage charge for overhead to be borne by the Consumer. The remedy is to canvass for more orders for removing this disability and Government agree with the Director that the Workshop should be fully utilised by all Government Departments for obtaining their requirements. At the same time, Government would impress upon the Director the need for a thorough examination of working costs with a view to introduce further economies without sacrifice of efficiency.

The Workshop also serves the useful purpose of training mechanics for employment in all the Industrial Concerns in the State. There were 35 such artisan apprentices under training during the year.

It is gratifying to note that the Workshop was able to make a new Calyx Drill with the aid of a few parts obtained from the manufacturers and that it also manufactured all the structural iron work required by the Electrical Department for the Mettur Transmission line. It turned out likewise a large number of agricultural implements. Government think that the Workshop ought to play an important part in the development of Mysore Agriculture, by placing large supplies of improved implements, pumps and agricultural machinery at the disposal of the raiyats. The Director is requested to pay special attention to this branch of work of the Workshop in consultation with the Director of Agriculture.

There was a slight reduction in output during the year in the Art Workshop due to retrenchment in establishment. Thirty artisan apprentices were under training and a sum of Rs. 1,014 was distributed in scholarships. There was an appreciable increase in the value of goods sold in the Sales Depot and it is reported that a large part of them were the handi-work of artisans all over the State received on commission sale, the policy of the Department being to find an outlet for the goods of the Mysore handicrafts-men. This Depot was started nearly 15 years ago, with the object that it should afford at once an advertisement and an outlet for works of indigenous art and exercise a potent influence on the improvement of Mysore Craftsmanship. These objectives do not appear to have been steadily kept in view and the institution has become a repositary of articles some of which are not of particular artistic value and some which are not even of Mysore Origin. The Depot requires reorganisation, and the articles exposed should be purely the work of local artisans, exhibiting the distinctive character of Mysore Art. The Director is requested to work out proposals with this object in view and submit them for the orders of Government.

It is satisfactory to note that the Soap Factory has been working well and steadily enlarging its scope of operations. The output of the Factory was 92 tons of soap as against 58 tons in the previous year, and the net profits amounted to Rs. 12,307 as against Rs. 4,957 in 1926-27.

The Weaving Factory was able to pay its way and made a profit of Rs. 903. This result may be attributed to the overhauling of its methods of work and to the stricter control exercised over its operations. With improved equipment, and with greater attention to experimental and teaching sides of its work, this institution ought to play an important part in the evolution and development of the Weaving Industry. It ought to pioneer the use of up-to-date appliances and machinery and it should also give the lead to weavers of the State in introducing new styles and patterns, especially in silk goods. It ought to make the fullest possible use of the advantage possessed by the State in its production of silk of superior quality by manufacturing high class silk fabrics in demand in and out of the State.

In regard to the influence of the Factory on the handloom industry, Government agree with the Director that the introduction of better appliances, more efficient methods and attractive designs solves only a part of the problem and that the other and perhaps more important part consists in the amelioration of the weaver's economic condition, by the provision of co-operative or other finance on reasonable terms, and the creation of facilities for marketing his production. The Director is requested to consider what measures can be adopted for affording such assistance to the weaver.

In view of the nature of its functions which are primarily those of pioneering, improved methods and processes of popularising the use of new appliances and of giving instruction to apprentices in the different branches of weaving, the institution cannot be expected to fulfil the conditions of a commercial concern and it should be worked more as a Weaving Institute than as a profit making Factory and this question to which Sir Alfred Chatterton has invited attention is under consideration.

The Director's summary about the results of working of the Badnval Hand-spinning and Weaving Centre is interesting. This experiment was started in November 1927 with the help of an Organiser lent by the All-India Spinners' Association in order to see whether hand-spinning as a subsidiary occupation for agriculturists is a practical proposition. The Director's report shows that it promises to be such, provided a market can be found for the khadi cloth woven from the handspun yarn. So far no difficulty has been experienced in disposing of the production of this centre. There is much scope for improvement in the appliances used and in the technique of manufacture and the Director is devoting considerable attention to this side of the problem. With improved appliances and increased skill of spinners acquired by continuous practice, better qualities of yarn which will prove more popular may be expected to be produced. The question of organising similar centres at other places in the State has been engaging the attention of Government. The District Board, Mysore, has offered to finance the starting of one at Gundlupet. Government trust that other Local Bodies in the State will co-operate in an experiment, the success of which will go a great way to improve the economic condition of the poor agricultural classes.

Well-Boring.—Experiments in well-boring were continued during the year, three types of drills, *viz.*, the Calyx, the Power Musto's and the Cyclone, being tried. The work done with the Calyx Core Drill in Bangalore and Chitaldrug has proved successful so far. Tube-wells are likely to offer in some parts of the State, a promising solution of the problem of the supply of potable water and this invests the experiments now in progress both in drilling and in the manufacture of drilling machinery with great importance. The present equipment consists of only four drills which are efficient and three less serviceable plants. With a large addition to the number of powerful drills, the work can be expected to make more rapid progress in future and a comprehensive programme of work could be outlined. Rules were sanctioned during the year for regulating the loan of drilling sets to private persons.

Industrial Schools.—The scale of pay of Superintendents of Industrial Schools was improved and the question of revising the pay of the staff of these schools is under consideration. It has been suggested that in lieu of the present system of scholarships, boarding homes might be attached to Industrial Schools but the heavy cost involved by the scheme precludes its introduction in the case of all schools. Government will be glad to consider such proposals sympathetically where Local Bodies offer to meet a portion of the expenditure. The Director has submitted recommendations for reorganising the system of Industrial Education. His proposals are under consideration.

Minor Industries.—The Department should devote special attention with the assistance of the Economic Superintendents to the revival and development of rural, cottage and minor industries and report what industries require special encouragement at the hands of Government.

Trade.—The Director's review of the rail-borne trade of the State is interesting and shows that during the past 15 years the balance of trade is steadily rising in favour of the State and that the position in the year under review was specially favourable. There was an increase in the quantity of rice, gram, and pulses imported and of fruits, vegetables, ragi, paddy and jaggory exported. There is a large increase in the import of rice within recent years and the Director is requested to investigate the causes therefor in consultation with the Director of Agriculture. The decrease in the export of raw silk and the increase in the import of the same material also require examination.

Government agree with the Director that it is necessary to have correct statistics of road borne trade and the proposals of the Industries and Commerce Board for collecting such statistics through the agency of Toll-gates are under the active consideration of Government.

Special Schemes.—As regard the special schemes prepared by the Director one for the starting of a Joint Stock Bank for financing Coffee Planters was considered by the Economic Conference and is now under the consideration of Government and another for forming an Association of Cardamom Growers is being considered by the Board of Agriculture. Government await with interest the results of the investigation now being carried out in regard to the possibilities of manufacturing caustic soda, bleaching powder, and vegetable ghee locally.

Weights and Measures.—The Weights and Measures Regulation as amended in 1927 could not be enforced owing to the necessity of completing preliminary arrangements such as making available a sufficient supply of weights and measures and appointing the staff necessary for testing and stamping them. The arrangements are nearing completion and the Regulation will be enforced in the first instance in Mysore, Bangalore, and Davangere.

Labour.—It is satisfactory to note that there were no cases of labour unrest of a serious nature during the year under report. Steps were taken during the year for the better administration of the Factories Regulation as amended in 1925 and the Workmen's Compensation Regulation was also passed.

Conclusion.—The working of the concerns under the Department showed considerable improvement and a number of industrial problems were dealt with by the Director and others are engaging his attention. Government are pleased to note that during the year under review, the Department made satisfactory progress in all its branches under Mr. C. Ranganatha Rao Sahib.

N. RAMA RAO,
Secretary to Government,
Development Departments.